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Medical Care Costs for Diabetes Associated with Health Disparities Among Adults Enrolled in Medicaid in North Carolina

by

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A Joint Report from the State Center for Health Statistics and
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Abstract

Objectives: Health disparities for many diseases are large and longstanding in North Carolina and the nation. This study examines medical care costs for diabetes associated with health disparities among adults enrolled in Medicaid in North Carolina during state fiscal year 2007–2008.

Methods: North Carolina Medicaid paid claims and enrollment data were used to calculate the diabetes prevalence rate and medical care expenditures for diabetes for total Medicaid enrollees and for whites, African Americans, and American Indians. Hispanics were not included as a separate category due to a high percentage of missing data on Hispanic ethnicity and a low prevalence of diabetes among Hispanics in North Carolina. The impacts of racial and economic health disparities on medical care costs were calculated by assuming that whites, African Americans, and American Indians enrolled in Medicaid had the same diabetes prevalence rate as whites in the general population, and that medical care expenditures would be reduced in the same proportion.

Results: The diabetes prevalence rate among Medicaid enrollees was 15.7 percent, compared to 9.1 percent for all North Carolina adults. An estimated \$225 million in diabetes-related expenditures could be saved each year by the North Carolina Medicaid program if both racial and economic disparities in diabetes prevalence were eliminated. If the disparities were cut in half, more than \$100 million could be saved each year.

Conclusions: Deep-seated social and economic inequities that contribute heavily to health disparities will be difficult to change. Comprehensive and targeted strategies are needed, including prevention, screening, and early detection. Diabetes management initiatives for Medicaid recipients can prevent complications and co-morbidities associated with diabetes and thus help reduce medical care costs for all racial groups.